

*July 10, 2014*

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Minutes of the Chicopee Retirement Board monthly meeting held on July 10, 2014 at 2:00 p.m. in the Auditor's Conference Room.

Present: Members O'Shea, Mackechnie, Riley, Montcalm and Boronski.

Also present was Terry Gerlich from SEI Investments.

The Chairman called the regular meeting to order at 2:05 p.m.

**A motion was made by Ms. Riley and seconded by Mr. Mackechnie to accept and approve the Minutes of the previous monthly meeting held on June 19, 2014. These minutes will be placed on file. ALL IN FAVOR**

**A motion was made by Mr. Mackechnie and seconded by Mr. Montcalm to accept and approve the executive session minutes of the previous meeting held on June 19, 2014. These minutes will be placed on file. ALL IN FAVOR**

**A motion was made by Ms. Boronski and seconded by Mr. Montcalm to concur with the payment of warrants 06/27/2014 and 06/30/2014 and approve monthly expense warrant 07/11/2014. ALL IN FAVOR**

The Chairman asked to take the following matters out of order, Executive Session-Disabilities and Disabilities because the member was not present yet. There was no board objection.

***MANAGER PERFORMANCE REVIEW/SEI INVESTMENTS:*** Terry Gerlich discussed the investments held with SEI Investments and gave the board a booklet with the SEI Investments' information dated July 10, 2014. He updated the board on Chapter 176 of the Acts of 2011 and further discussed the strategies to increase return opportunities and reduce risk. Mr. Gerlich discussed the Portfolio recommendations and the decreased or increased exposure in certain funds and/or asset classes. Mr. Gerlich also reviewed and further discussed the allocation in Private Equity and SEI's recommendations, and discussed the SEI Global Private Assets (GPA) III Fund. Upon review of the information provided by SEI Investments, a motion was made by Ms. Boronski and seconded by Mr. Mackechnie to reduce the exposure in the SEI Structured Credit Fund back to a 5% allocation and to adopt the "Portfolio B" recommendation by SEI Investments, which would increase and decrease exposure to the asset classes accordingly. **ALL IN FAVOR** A motion was also made by Ms. Boronski and seconded by Mr. Mackechnie to make a commitment of \$9.5 million in the SEI Global Private Assets III Fund after the required documents are reviewed by board counsel. **ALL IN FAVOR**

**The following people applied for membership in the system according to statute:**

Raisa M. Riggott – Human Resources  
Michael R. O'Neill – Golf Department  
Margaret V. Rooks – School Department  
Brendan W. Baker – DPW-Waste Water

These members meet the membership requirements of the system. **A motion was made by Ms. Riley and seconded by Mr. Mackechnie to approve membership. ALL IN FAVOR**

**INVESTMENTS-PERFORMANCE REVIEW:** PRIM provided the board with the monthly report of their Investment Performance as of May 31, 2014.

**SCHEDULE OF BOARD MEETINGS:** The Retirement Board Meetings are normally held on the second Thursday of every month except for the following rescheduled meetings: 08/14/14 to 08/12/14, 9/11/14 to 9/4/14, 10/9/14 to 10/2/14, and 12/10/14 to 12/4/14. Any further changes will be updated monthly.

**REVIEW OF EXECUTIVE SESSION MINUTES:** The executive session minutes will be reviewed at the following board meeting.

**The following people made a request for a retirement allowance according to statute:**

Michael Bissonnette, Mayor's Office  
John Rivard, DPW-Highway Department  
Denise Bartosz, School Lunch Department  
Thomas Charette, Police Department

**After discussion and reviewing the statutory provisions for these retirement requests, a motion was made by Ms. Boronski and seconded by Mr. Montcalm to approve these requests for retirement. ALL IN FAVOR**

**The following people made a request for a refund according to statute:**

Annette Torres-Castro, School Department  
Sharon McCollum, School Department

These refund requests were prepared for board approval after the refund requirements according to statute were reviewed. **A motion was made by Ms. Riley and seconded by Mr. Mackechnie to approve these refund requests. ALL IN FAVOR**

**The following superannuation retirement allowance calculations were prepared for approval according to statute:**

Michael Bissonnette, Mayor's Office  
Denise Bartosz, School Lunch Department

**A motion was made by Ms. Boronski and seconded by Mr. Montcalm to approve the superannuation retirement allowances calculation of these retirees. ALL IN FAVOR**

**COMPREHENSIVE MEDICAL EVALUATIONS:** We received notice from PERAC that two retirees were evaluated for possible return to service under M.G.L. Chapter 32, Section 8. At this time, these retirees are unable to perform the duties of the job, but may be subject to future evaluations. No Board action is necessary at this time.

**REPORT ON 2014 NCPERS CONFERENCE:** GASB matters were discussed once again in great detail due to the upcoming changes. The discount rate was discussed and the impact that it has on the funding of the systems. There was much discussion on comparing investment performance to the appropriate benchmarks, and reviewing the organizations that managers

invest in and their views on defined benefit plans. A global economy update was given and Private Equities, Hedge Funds and Alternative Investments were discussed in great detail. A legislative update was also given regarding the future of pensions and an administrator's forum was held to discuss current topics that administrators are being faced with.

**REPORT ON 2014 SPRING MACRS CONFERENCE:** Speakers spoke on the market and gave an economic outlook. Representatives from the Retiree Association updated the boards on pending legal matters and health insurance issues. Attorney Gerald McDonough from PERAC also gave a presentation on the impact of Chapter 176 of the Acts of 2011. QDRO's and current retirement issues were reviewed and discussed by administrators; and a DALA update was given. A legal panel reviewed significant legal cases and PERAC representatives spoke on veterans' benefits, disability procedures and current audit findings. Joseph Connarton from PERAC updated boards on retirement board member training, Chapter 176 of the Acts of 2011 issues, as well as other pertinent retirement matters.

**RETIREMENT BOARD MEMBER TRAINING:** A PERAC seminar on Investment Fees: Legislative Process; Chapter 176 will be held in Pittsfield, MA on July 30, 2014.

A motion was made by Ms. Riley and seconded by Mr. Montcalm to go into Executive Session as per M.G.L Chapter 30A Section 21 for the purpose of discussing the physical condition of one individual. The board will then reconvene in open session. A roll call vote was taken as follows: Mr. Mackechnie, "yes", Mr. Montcalm, "yes", Ms. Boronski, "yes", Ms. Riley, "yes" and Mr. O'Shea, "yes".

At 2:49 p.m. the meeting went into executive session. The board will reconvene in open session after the executive session.

At 3:05 p.m. the board reconvened in open session.

**The following person made a request for a disability retirement allowance according to statute:**

Francis Benson – Fire Department

After discussion and reviewing the reports and the statutory provisions for this retirement request, a motion was made by Mr. Mackechnie and seconded by Ms. Riley to approve this request for retirement and to send it to PERAC for their approval. ALL IN FAVOR

**PERAC MEMOS**

- 20. Tobacco Company List
- 21. Concurrent Benefits
- 22. Mandatory Retirement Board Member Training-3<sup>rd</sup> Quarter 2014
- 23. Mandatory Retirement Board Member Training-3<sup>rd</sup> Quarter 2014-State Ethics Commission Seminars-Update
- 24. Retroactive Changes to Cash Book Entries

These memos were reviewed and placed on file.

**REPORTS AND NOTICES:**

- Trial Balance Report for the month of March
- Cash Receipts, Cash Disbursements, Journal Entries and General Ledger for the month of March
- 06/20/2014, 06/23/2014, 06/25/2014, 06/27/2014 and 06/30/2014
- Correspondence from Retired State, County and Municipal Employees Association – FY 15 Local COLA Update
- Correspondence from Retired State, County and Municipal Employees Association – Membership Packets
- PERAC Pension News – June 2014


These reports were reviewed and placed on file.

**PERSONNEL SALARIES:** Upon review of the Administrative Assistant position and after discussion, a motion was made by Ms. Riley and seconded by Ms. Boronski to further this position at the following meeting. **ALL IN FAVOR**

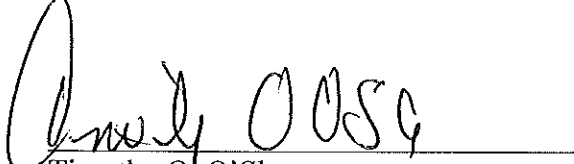
**NEW BUSINESS:** None

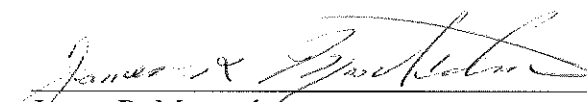
The next monthly meeting of the Board will be held on Tuesday, August 12, 2014 at 2:00 p.m.

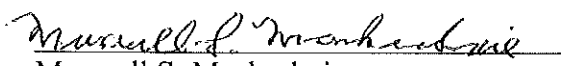
A motion was made by Ms. Boronski and seconded by Mr. Montcalm to adjourn the meeting at 3:22 p.m. **ALL IN FAVOR**

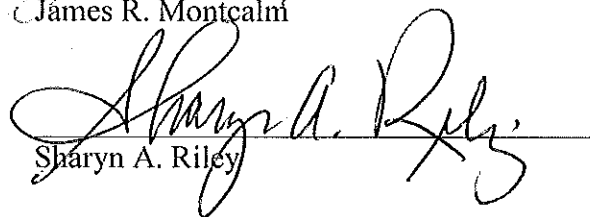
  
Susana Baltazar, Executive Director

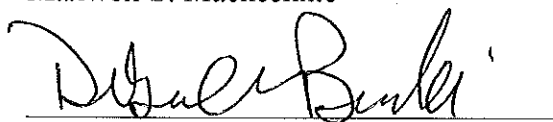
APPROVED: BOARD OF RETIREMENT

  
Timothy O. O'Shea

  
James R. Montcalm

  
Maxwell S. Mackechnie

  
Sharyn A. Riley

  
Debra Boronski